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FISCAL IMPACT REPORT

SPONSOR: Jennings DATE TYPED: 02/19/03 HB _____
 SHORT TITLE: Deposits By County and Municipal Treasurers SB 664
 ANALYST: Martinez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI		NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department
 Regulation and Licensing Department

SUMMARY

Synopsis of Bill

Senate Bill 664 amends the law that allows counties and municipalities to make deposits outside their respective localities. The legislation maintains that the treasurers of irrigation and conservancy districts within the state may not deposit outside of their subdivisions.

FISCAL IMPLICATIONS

The legislation broadens the type of institution in which county and municipal treasurers deposit public funds. This bill may help municipalities and counties by allowing treasurers to search for competitive bank rates outside their respective political subdivisions.

POSSIBLE QUESTIONS

1. Which counties and/or municipalities will most likely take advantage of the change?
2. How will smaller cities and counties be affected?
3. Are there specific advantages to this amendment in law?
4. Will small local financial institutions suffer if they lose county and/or city business?
5. What is the economic impact at the local level?

MM/yr